

## Message Text

LIMITED OFFICIAL USE

PAGE 01 CANBER 08767 060612Z

20

ACTION AGRE-00

INFO OCT-01 EUR-12 EA-07 NEA-10 ISO-00 AID-05 CIAE-00  
COME-00 EB-07 FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00  
XMB-02 OPIC-03 SP-02 CIEP-01 LAB-04 SIL-01 OMB-01 L-03  
PA-01 PRS-01 H-01 /078 W

----- 009922

R 060532Z DEC 76

FM AMEMBASSY CANBERRA

TO SECSTATE WASHDC 9438

AMEMBASSY BELGRADE

AMEMBASSY BUCHAREST

AMEMBASSY BUDAPEST

AMEMBASSY CAIRO

AMEMBASSY MOSCOW

AMEMBASSY SOFIA

AMEMBASSY WARSAW

AMEMBASSY WELLINGTON

LIMITED OFFICIAL USE CANBERRA 8767

STATE PASS AGRICULTURE FOR MEEKER AND ANDERSON

E.O. 11652: N/A

TAGS: EAGR, ETRD, AS

SUBJECT: AUSTRALIAN MEAT SALES TO EASTERN EUROPE

1. DURING RECENT WEEKS THERE HAS BEEN AN UPSURGE IN INTEREST IN MEAT PURCHASES FROM AUSTRALIA BY EASTERN EUROPEAN BUYERS WHICH SEEMS TO INDICATE AN INTERESTING CHANGE IN PRIORITIES IN BLOC COUNTRIES. THE RECENT 17.5 PERCENT DEVALUATION OF THE AUSTRALIAN CURRENCY HAS GIVEN A FURTHER BOOST TO THIS DEVELOPMENT, AND TRADERS ARE REPORTING SUBSTANTIAL SALES AT PRICES CLOSE OR EQUIVALENT TO PRESENT RETURNS FROM US MARKET.

2. PRODINTORG NEGOTIATED A FURTHER CONTRACT WITH BORTHWICK AS PRIME CONTRACTOR FOR A PACKER CONSORTIUM FOR 13,000 METRIC TONS OF BONELESS BEEF AND 3,500 TONS OF MUTTON DURING PAST WEEK FOLLOWING THE LAST 10,000 TON CONTRACT NEGOTIATED IN NOVEMBER. THE SALE WAS NEGOTIATED IN US CURRENCY, AND CON-

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CANBER 08767 060612Z

SEQUENCE TLY PROVIDED A WINDFALL PROFIT TO BORTHWICKS. A

FURTHER SUBSTANTIAL CONTRACT IS NOW BEING NEGOTIATED WITH PRODINTORG AND EXPECTED TO BE ANNOUNCED THIS WEEK. TWO CONTRACTS WERE SIGNED TWO WEEKS AGO WITH POLAND, ONE BY HEINE BROS. FOR 4,000 TONS OF BONELESS BEEF, AND ONE BY C.R. LAWRENCE FOR 4,300 TONS OF BONELESS BEEF. BOTH CONTRACTS WERE REPORTEDLY MADE AT SATISFACTORY PRICES ON PRE-DEVALUATION EXCHANGE RATES. IT IS UNDESTOOD THAT BOTH COMPANIES AS PRIME CONTRACTORS FOR A CONSORTIUM OF PACKERS, ARE NOW NEGOTIATING FOR A FURTHER SALE OF 20,000 TONS OF BEEF TO POLAND.

3. SOURCES OF ENQUIRIES RECEIVED FOR THE SUPPLY OF BEEF TO OTHER BLOC COUNTRIES INCLUDE RUMANIA, BULGARIA, AND HUNGARY, AND TRADE SOURCES ARE FAIRLY CONFIDENT OF SELLING AT LEAST 30,000 TONS OF BONELESS BEEF TO THESE COUNTRIES OVER THE NEXT FEW WEEKS. AUTRALIA HAS ALSO TENDERED FOR THE SUPPLY OF 20,000 TONS OF BEEF TO YUGOSLAVIA, WHILE EGYPT IS INTERESTED IN PURCHASING 60,000 TONS. LEADING MEAT PACKERS ARE OPTIMISTIC THAT WITH THE LOWER EXCHANGE RATE THEY WILL SECURE A SUBSTANTIAL PRORTION OF THIS TRADE. THE FACT THAT PRICES ARE NOW ON A PAR WITH RETURNS FROM THE US WILL GREATLY ENCOURAGE PACKERS TO QUTE ON THIS EASTERN EUROPE BUSINESS. CONSEQUENTLY, IT MAY BE EXPECTED THAT IN COMING WEEKS THE OVER-SUPPLY SITUATION ON THE DOMESTIC MARKET WILL EASE CONSIDERABLY, WHILE AT THE SAME TIME THERE WILL BE LESS PRESSURE ON US MARKET ALLOCATIONS UNDER THE MARKET DIVERSIFICATION PROGRAM. IT IS EXPECTED THAT LIVE CATTLE PRICE WILL SHOW AN UPWARD TREND IN THE NEXT FEW MONTHS TO REFLECT THESE DEVELOPMENTS.  
HARGROVE

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** SALES, MEATS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 06 DEC 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ullricre  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976CANBER08767  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760449-1267  
**From:** CANBERRA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19761267/aaaacgdm.tel  
**Line Count:** 91  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION AGRE  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ullricre  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 14 APR 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <14 APR 2004 by CollinP0>; APPROVED <04 AUG 2004 by ullricre>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** AUSTRALIAN MEAT SALES TO EASTERN EUROPE  
**TAGS:** EAGR, ETRD, AS, XH  
**To:** STATE BELGRADE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006